

City of Franklin  
Summary of General Fund Budget - 2010 Adopted Budget

	2007 Actual	2008 Actual	2009 Amended Budget	2009 Estimate	2010 Dept Request	2010 Proposed	2010 Adopted	Percent Change/
<b>Revenue:</b>								
Property taxes	\$13,615,257	\$14,632,151	\$15,540,000	\$15,520,000	\$16,144,000	\$16,124,000	\$16,124,000	3.8%
Other taxes	79,926	85,758	236,000	179,000	230,000	230,000	230,000	-2.5%
Cable TV Franchise Fee	349,748	386,817	400,000	430,000	410,000	410,000	410,000	2.5%
Utility tax equivalent	837,345	857,020	920,000	880,000	920,000	920,000	920,000	0.0%
<b>Total tax revenue</b>	<b>14,882,275</b>	<b>15,961,745</b>	<b>17,096,000</b>	<b>17,009,000</b>	<b>17,704,000</b>	<b>17,684,000</b>	<b>17,684,000</b>	<b>3.4%</b>
Intergovernmental	2,460,464	2,608,433	2,391,000	2,513,992	2,463,000	2,463,000	2,463,000	3.0%
Licenses and permits	978,942	723,225	816,400	608,908	709,650	678,650	678,650	-16.9%
Penalties and forfeitures	392,451	362,928	400,000	380,000	400,000	400,000	400,000	0.0%
Charges for services	1,559,178	1,868,363	2,185,000	1,674,700	1,834,450	1,834,450	1,834,450	-16.0%
Intergovernmental charges	426,387	206,156	266,000	270,000	240,000	250,000	250,000	-6.0%
Interest revenue	941,177	730,239	755,000	355,000	395,000	395,000	395,000	-47.7%
Miscellaneous revenue	129,119	105,425	106,600	135,400	101,900	101,900	101,900	-4.4%
Transfers from other funds	0	948,646	0	0	0	0	0	0.0%
<b>Total non-tax revenue</b>	<b>6,887,719</b>	<b>7,553,415</b>	<b>6,920,000</b>	<b>5,938,000</b>	<b>6,144,000</b>	<b>6,123,000</b>	<b>6,123,000</b>	<b>-11.5%</b>
<b>Total revenue</b>	<b>21,769,994</b>	<b>23,515,160</b>	<b>24,016,000</b>	<b>22,947,000</b>	<b>23,848,000</b>	<b>23,807,000</b>	<b>23,807,000</b>	<b>-0.9%</b>
Transfer from fund balance	0	0	419,000	0	0	0	400,000	-4.5%
<b>Total revenue &amp; fb transfer</b>	<b>21,769,994</b>	<b>23,515,160</b>	<b>24,435,000</b>	<b>22,947,000</b>	<b>23,848,000</b>	<b>23,807,000</b>	<b>24,207,000</b>	<b>-0.9%</b>
<b>Expenditures:</b>								
Common Council	117,400	117,524	97,987	97,987	98,278	98,240	98,240	0.3%
Municipal Court	164,520	175,684	170,030	173,117	177,127	177,117	177,117	4.2%
Clerk	261,838	274,317	307,923	301,555	304,526	305,441	305,441	-0.8%
Elections	13,784	48,285	21,263	21,577	43,011	42,996	42,996	102.2%
Information Services	341,005	404,042	407,100	400,480	404,900	404,900	404,900	-0.5%
Administration	430,116	422,310	467,759	445,250	467,515	467,292	467,292	-0.1%
Finance	481,781	506,675	538,602	523,582	534,162	529,424	529,424	-1.7%
Independent Audit	27,265	26,289	33,750	32,437	26,000	26,000	26,000	-23.0%
Assessor	241,340	247,382	239,839	235,920	237,790	237,786	237,786	-0.9%
Legal Services	229,608	269,461	276,100	276,100	276,100	276,100	276,100	0.0%
Municipal Buildings	223,610	255,170	274,613	250,744	264,403	220,623	220,623	-19.7%
Insurance	66,960	66,876	67,200	61,700	69,750	67,100	67,100	-0.1%
Unclassified	10,503	11,776	12,500	12,500	12,500	12,500	12,500	0.0%
Contingency	0	0	647,000	0	175,000	56,000	536,042	-19.4%
Anticipated Underexpenditures	0	0	-890,000	0	-400,000	-300,000	-500,000	
<b>Total General Government</b>	<b>2,609,730</b>	<b>2,825,791</b>	<b>2,671,666</b>	<b>2,832,949</b>	<b>2,691,062</b>	<b>2,621,519</b>	<b>2,901,561</b>	<b>7.9%</b>

**City of Franklin**  
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<b>Police Department</b>	7,794,385	8,454,905	8,892,969	8,366,887	8,833,167	8,580,098	8,646,195	-2.8%
<b>Fire Department</b>	4,969,533	5,676,224	5,859,902	5,668,119	5,759,014	5,614,951	5,668,812	-3.3%
<b>Public Fire Protection</b>	217,856	229,677	235,900	235,900	295,900	295,900	295,900	25.4%
<b>Building Inspection</b>	847,409	838,373	766,449	733,953	761,509	764,220	764,220	-0.3%
<b>Weights and Measures</b>	6,800	6,800	6,800	6,800	6,800	6,800	6,800	0.0%
<b>Total Public Safety</b>	13,835,982	15,205,978	15,762,020	15,011,659	15,656,390	15,261,969	15,381,927	-2.4%
<b>Engineering</b>	540,561	546,323	582,448	533,585	552,917	569,514	569,514	-2.2%
<b>Highway</b>	2,047,530	2,461,606	2,452,709	2,369,643	2,477,343	2,384,362	2,384,362	-2.1%
<b>Solid Waste Collection</b>	1,260,090	1,335,776	1,330,247	1,362,702	1,388,185	1,387,921	1,387,921	4.3%
<b>Street Lighting</b>	253,066	281,338	297,550	294,950	303,700	303,700	303,700	2.1%
<b>Weed Control</b>	9,213	7,914	25,100	10,100	10,050	10,050	10,050	-60.0%
<b>Total Public Works</b>	4,110,460	4,632,957	4,688,054	4,570,980	4,732,195	4,655,547	4,655,547	-0.3%
<b>Health Department</b>	512,331	561,273	592,160	585,655	601,181	590,983	590,983	-0.2%
<b>Animal Control</b>	41,087	43,739	44,700	47,200	47,300	47,300	47,300	5.8%
<b>Total Health &amp; Human Services</b>	553,419	605,012	636,860	632,855	648,481	638,283	638,283	0.2%
<b>Recreation</b>	73,243	82,800	94,434	91,925	94,672	39,000	39,000	-58.7%
<b>Parks</b>	161,011	100,203	134,891	134,232	137,002	137,175	137,175	1.7%
<b>Total Culture and Recreation</b>	234,253	183,003	229,325	226,157	231,674	176,175	176,175	-23.2%
<b>Planning</b>	497,502	452,859	447,075	372,622	450,534	425,307	425,307	-4.9%
<b>Economic Development</b>	0	0	0	0	0	28,200	28,200	
<b>Total Conservation/development</b>	497,502	452,859	447,075	372,622	450,534	453,507	453,507	1.4%
<b>Transfers to other funds</b>	1,015,000	0	0	0	0	0	0	0.0%
<b>Total expenditures</b>	22,856,346	23,905,601	24,435,000	23,647,222	24,410,336	23,807,000	24,207,000	-0.9%
<b>Net Change</b>	-1,086,352	-390,441	0	-700,222	-562,336	0	0	
<b>Beginning fund balance</b>	7,021,834	5,935,482	5,545,041	5,545,041	4,844,819	4,844,819	4,844,819	
<b>Ending fund balance</b>	5,935,482	5,545,041	5,126,041	4,844,819	4,282,483	4,844,819	4,444,819	
<b>Fund Balance as a percent of total expenditures</b>	28.37%	24.26%	20.98%	20.49%	17.54%	20.35%	18.36%	

## City of Franklin General Fund Revenue

City general fund revenue, as described below, are normally predictable, and with the majority of general fund revenue obtained from property taxes, state shared revenue, and transportation aides which are known at the beginning of the year. Revenue has historically not been dependent on changes in economic factors. However, as discussed below, varying factors, including the local economy, which cause fluctuations from year to year has impacted certain revenue items.

### Property Taxes

Property taxes are levied upon all property owners at a calculated rate per \$1,000 of assessed value, on both real and personal property. As is typical for most Wisconsin municipalities, the property tax is the primary source of revenue for government operations. The trend for property taxes as a percentage of General Fund operating revenue is as follows:

Year	2005	2006	2007	2008	2009	2010
Percentage	60	60	62	63	65	68

Property taxes as a percentage of general fund revenue will increase or decrease, depending on fluctuations in other revenue sources, the amount of growth in new assessments or whether significant increases in expenditures are needed to meet service needs for the City. The 2010 increase in property tax percentage is attributable to decreases in all non-tax revenue categories due to the economic slowdown. The 2009 increase in property tax percentage is due to development revenue remaining at a lower level and other funds tax levy being reduced and utilized in the General Fund. The 2008 percentage increase is attributable to development revenue being lower and less revenue being realized from the State. As a result other than property tax revenue was only slightly increased resulting in larger property tax increases. The 2007 percentage increase is attributable to no increase in EMT revenue from Milwaukee County, no increase in shared revenue and transportation revenue payments, a decrease in expenditure restraint payments and the ending of the current landfill siting revenue mid year. The 2005 increase percentage is attributable to decreases in EMT revenue from Milwaukee County, decrease in shared revenue payments, decrease in expenditure restraint payments and the continuation of the transfer out of landfill siting revenue to the Debt Service Fund.

### Utility Tax Equivalent

The Franklin Water Utility makes a payment in lieu of property taxes, as mandated by the Public Service Commission, by applying the local municipal and school tax rates against the total value of plant in service. As the plant in service has grown due to the pace of development in the City, this revenue source has also increased. Much of the plant value added is contributed via developers or assessment projects.

### Hotel/Motel Room Tax

Hotels and motels charge a room tax that benefits the City of Franklin. The development of a major hotel on 27<sup>th</sup> Street resulted in the City receiving increased room taxes starting in 2009.

### Cable Franchise Fees

A franchise fee is charged by the City on cable television services, and has increased in recent years along with growth in the City and increases in cable rates charged by the service providers.

### State Revenue

State shared revenue was based on a formula that considered per capita and aidable revenue factors that included relative property value of the City and local revenue generated. During recent years the State has either not increased or has decreased the amount received. In 2003 the City received \$822,500 and in 2010 is anticipated to receive \$510,000 a 38.0% decrease.

Expenditure Restraint payments are provided by the State in 2010 for communities that limited their 2009 General Fund budget spending to a specified percentage, 4.2% in 2009. The percentage limit considers inflation and growth in new construction in the City. The amount received is dependant on the amount of the tax rate over 5 mills and the communities that qualify. In 2010 the City of Franklin expects to receive \$211,000 down from the \$610,093 received in 2003 a 65.4% decrease in that period. The 2010 budget will continue the City's eligibility for the 2011 expenditure restraint program by limiting General Fund budgeted expenditures.

The State provides general transportation aids to local communities. Transportation aids are based on a formula established by the State that considers costs of maintaining the City's transportation system, including maintenance, traffic enforcement, and capital costs (street construction, etc.). This formula uses costs over a rolling 6-year period in determining the aid amount. In 2010 the City of Franklin expects to receive \$1,458,000 up from the \$1,255,329 received in 2003 a 16.1% increase in that period.

A 1997 legislative change exempted business computers from being subject to property tax. It also provided for a state aid payment to municipalities to offset the loss of taxable income. The estimated state aid payment in 2010 is approximately \$43,000 compared to \$42,445 received in 2009.

The recycling grant pays for a portion of the cost of the City's curbside recycling program and yard waste collection and disposal. The State recycling grant paid \$87,938 in 2009 and is expected to pay about the same in 2010.

Overall support from the State of Wisconsin has declined over the last five year period.

### Licenses and Permits

The City issues numerous licenses and permits in performing its regulatory functions, such as liquor, bartender, peddler, food, pet, contractor, building, electrical, plumbing and others. The majority of such revenue items do not fluctuate greatly from year to year and in some cases change is limited by state statute. The primary source of revenue in the permit category is building, plumbing and electrical permits, which are down in 2009 about \$220,000 and by 418,000 during the last two years due to the slower development cycle currently in effect.

### Penalties and Forfeitures

This category represents the City's share of fines from violation of City ordinances and state statutes, as well as parking ticket revenue. This revenue source is stable.

### Charges for Services

This revenue source includes charges for use of City services. The majority of revenue in this category is generated from ambulance services, planning, engineering and administrative fees charged to developers in connection with development agreements, and landfill operations.

The advanced life support program switched to a market driven system in 2007 where actual revenue created in each community is recorded by that community. This resulted in revenue previously recorded as intergovernment charges switching to be recorded as charges for services. Fees for basic and advanced life support services and ambulance transportation are billed on behalf of the City by an outside billing service. In 2009 this source was \$330,000 below the amount budgeted. Landfill charges represent amounts paid to the City from Metro Landfills in accordance with operation agreements that provide a rebate of tipping fees for City refuse deposited at the landfill.

### Intergovernmental Charges for Services

In addition to the revenue included in charges for services above a County subsidy is received toward providing the service. The subsidy to be received is \$250,000 for 2010 from Milwaukee County for the County coordinated paramedic services program, as they serve a County area extending beyond the City limits. The other revenue source was reimbursement from the Franklin School District for one-half of the cost of the school liaison police officer. This program was ended in June 2009.

### Interest Revenue

Interest earnings on invested funds is one of two main revenue sources in this category. Interest revenue has declined by \$586,177 or 62.3% over the last two years due to the economic slowdown. Earnings on the General Fund's pooled investments are expected to continue to provide respectable returns. Short term investment returns have dropped dramatically as have interest earnings on tax collections.

### Miscellaneous Revenue

Water Tower rentals to cell phone companies and worker compensation Insurance dividends are the main components of miscellaneous revenue.

**CITY OF FRANKLIN  
2010 REVENUE BUDGET**

		2007	2008	2009	2009	2010	2010	2010	Percent
		Actual	Actual	Amended	Estimated	Forecast B	Proposed	Adopted	Change
<b>GENERAL FUND</b>									
<b>TAXES</b>									
PROPERTY TAXES	01.0000.4011	\$13,598,198	\$14,625,838	\$15,540,000	\$15,520,000	\$16,144,000	\$16,124,000	\$16,124,000	
PERSONAL PROPERTY TAX	01.0000.4012	17,059	6,312	\$0	0	0	0	0	
MOBILE HOME TAX	01.0000.4014	29,598	28,668	36,000	29,000	30,000	30,000	30,000	
MOTEL ROOM TAX	01.0000.4022	50,328	57,090	200,000	150,000	200,000	200,000	200,000	
CABLE TV FRANCHISE	01.0000.4025	349,748	386,817	400,000	430,000	410,000	410,000	410,000	
UTILITY TAX EQUIVALENT	01.0000.4031	837,345	857,020	920,000	880,000	920,000	920,000	920,000	
Total Taxes		14,882,275	15,961,745	17,096,000	17,009,000	17,704,000	17,684,000	17,684,000	3.4%
<b>INTERGOVERNMENTAL</b>									
PER CAPITA	01.0000.4121	587,640	572,369	589,000	589,000	490,000	499,000	499,000	
MEDICAL TRANSPORT AID	01.0000.4122	12,200	27,600	11,000	11,000	11,000	11,000	11,000	
EXPENDITURE RESTRAINT	01.0000.4124	372,313	243,635	194,000	281,000	281,000	211,000	211,000	
SPECIAL UTILITY	01.0000.4125	35,828	44,097	34,000	42,000	34,000	40,000	40,000	
STATE SHARED REVENUE		1,007,981	887,701	828,000	923,000	816,000	761,000	761,000	
STATE EXEMPT COMPUTER AID	01.0000.4126	42,703	48,688	43,000	43,000	43,000	43,000	43,000	
FIRE INSURANCE TAX	01.0000.4127	107,790	105,109	110,000	110,992	110,000	110,000	110,000	
BLOCK GRANTS	01.0000.4142	5,490	168,877	0	0	0	0	0	
TRANSPORTATION AIDS	01.0000.4144	1,207,239	1,296,525	1,310,000	1,346,000	1,373,000	1,458,000	1,458,000	
RECYCLING GRANTS	01.0000.4146	77,262	97,694	97,000	88,000	77,000	88,000	88,000	
LAW ENFORCEMENT TRAINING	01.0000.4156	0	0	0	0	0	0	0	
OTHER POLICE GRANTS	01.0000.4157	12,000	3,838	3,000	3,000	3,000	3,000	3,000	
Total Intergovernmental		2,460,464	2,608,433	2,391,000	2,513,992	2,422,000	2,463,000	2,463,000	3.0%
<b>LICENSES &amp; PERMITS</b>									
CLASS A BEER & LIQUOR	01.0000.4201	10,640	10,550	10,000	10,500	10,000	10,000	10,000	
CLASS B BEER & LIQUOR	01.0000.4203	28,915	31,680	30,000	31,000	31,000	31,000	31,000	
SPECIAL CLASS B BEER	01.0000.4205	45	0	100	100	100	100	100	
BARTENDERS LICENSE	01.0000.4209	14,480	14,492	13,500	14,500	14,500	14,500	14,500	
AMUSEMENT OPERATORS	01.0000.4211	3,430	2,890	3,000	3,000	3,000	3,000	3,000	
AMUSEMENT DEVICES	01.0000.4213	5,430	5,610	5,500	5,800	5,500	5,500	5,500	
BOWLING AND POOL	01.0000.4215	775	775	500	800	500	500	500	
DANCE AND ENTERTAINMENT	01.0000.4217	1,000	1,950	1,000	1,000	1,000	1,000	1,000	
PEDDLERS LICENSE	01.0000.4219	26,590	24,040	27,000	23,000	25,000	0	0	
COMB. FOOD/PEDDLERS/INSP	01.0000.4221	2,210	7,095	2,000	9,358	7,000	0	0	
FOOD LICENSE/INSPECTION	01.0000.4223	10,205	9,135	51,500	1,500	9,500	1,500	1,500	
ICE LICENSE	01.0000.4225	345	390	350	400	350	0	0	
SODA LICENSE	01.0000.4227	1,040	1,035	1,000	1,000	1,000	250	250	
CIGARETTE LICENSE	01.0000.4229	3,100	3,300	3,500	3,500	3,500	2,500	2,500	
COUNTRY CLUB LICENSE	01.0000.4233	250	250	250	250	250	250	250	
SALVAGE YARD LICENSE	01.0000.4237	1,400	2,100	2,100	2,100	2,100	2,100	2,100	
OTHER LICENSES	01.0000.4241	2,445	28,396	2,000	2,000	2,000	2,000	2,000	
ELECTRICAL CONTRACTORS	01.0000.4253	16,743	13,803	11,000	11,000	13,000	13,000	13,000	
BICYCLE LICENSE	01.0000.4257	43	63	100	100	100	100	100	
CAT/DOG LICENSE	01.0000.4261	9,979	9,145	10,000	10,000	10,000	10,000	10,000	
HEALTH LICENSE/INSPECTION	01.0000.4262-70				56,000	42,000	56,350	56,350	
Total Licenses		139,065	166,699	174,400	186,908	181,400	153,650	153,650	
BUILDING PERMITS	01.0000.4271	589,430	359,410	413,000	278,000	400,000	338,000	338,000	
ELECTRICAL PERMITS	01.0000.4273	109,042	87,594	101,500	53,000	100,000	83,000	83,000	
PLUMBING PERMITS	01.0000.4275	100,197	67,996	80,000	53,000	80,000	65,000	65,000	
STREET EXCAVATION PERMITS	01.0000.4277	4,850	3,275	7,000	4,000	4,000	4,000	4,000	
FILL PERMITS	01.0000.4279	10,000	1,850	10,000	5,000	5,000	5,000	5,000	
SIGN PERMITS	01.0000.4281	11,370	17,840	12,000	9,500	12,000	10,000	10,000	
SPECIAL EVENT PERMITS	01.0000.4285	400	700	1,000	1,000	1,000	1,000	1,000	
PARK PERMITS	01.0000.4287	8,378	7,917	8,500	10,000	8,500	10,500	10,500	
MISC FIRE PERMITS	01.0000.4288	5,700	6,035	6,500	6,000	6,000	6,000	6,000	
MINING & OTHER PERMITS	01.0000.4289	510	3,910	2,500	2,500	2,500	2,500	2,500	
Total Permits		839,877	556,526	642,000	422,000	619,000	525,000	525,000	
Total Licenses and Permits		978,942	723,225	816,400	608,908	800,400	678,650	678,650	-16.9%
<b>PENALTIES &amp; FORFEITURES</b>									
PENALTY/COST	01.0000.4311	392,451	352,928	400,000	380,000	400,000	400,000	400,000	
ORDINANCE VIOLATIONS-OTHER	01.0000.4331	0	10,000	0	0	0	0	0	
Total Penalties and Forfeitures		392,451	362,928	400,000	380,000	400,000	400,000	400,000	0.0%

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<b>CHARGES FOR SERVICES</b>									
SUBDIVISION FILING	01.0000.4401	19,500	7,000	24,700	8,500	10,000	12,000	12,000	
LAND COMBINATION FILING	01.0000.4402	400	800	700	700	800	800	800	
CSM FILING	01.0000.4403	25,000	9,023	23,100	10,100	23,000	18,000	18,000	
SITE PLAN REVIEW	01.0000.4404	14,625	13,460	19,500	13,500	21,000	19,500	19,500	
ZONING APPEALS	01.0000.4405	3,700	2,850	3,500	2,500	5,000	5,000	5,000	
SPECIAL USE	01.0000.4406	27,700	10,400	26,200	10,200	20,000	16,000	16,000	
ZONING FILING	01.0000.4407	6,325	1,600	8,100	3,100	4,000	4,000	4,000	
OTHER FILING	01.0000.4409	16,931	15,064	21,400	12,500	18,000	15,000	15,000	
PUBLICATIONS & RECORDING	01.0000.4411	2,603	2,108	6,300	3,300	6,300	6,300	6,300	
PROPERTY STATUS REPORTS	01.0000.4413	3,240	2,875	3,300	3,300	3,300	3,300	3,300	
HOME SALES REPORTS	01.0000.4414	12	0	0	0	0	0	0	
COPYING CHARGES	01.0000.4415	3,092	2,305	4,000	2,000	2,000	2,000	2,000	
SOIL TESTING	01.0000.4416	-250	0	0	0	0	0	0	
MAP SALES	01.0000.4421	158	452	500	500	500	500	500	
ARCHITECTURAL BOARD REVIEW	01.0000.4425	4,675	3,300	7,200	3,200	7,200	7,200	7,200	
POLICE SERVICES	01.0000.4431	3,567	3,838	4,500	4,500	4,500	4,500	4,500	
SPECIAL EVENT PUBLIC SAFETY	01.0000.4432	609	33,613	1,500	1,500	1,500	1,500	1,500	
AMBULANCE SERVICES - ALS	01.0000.4440	277,049	428,403	550,000	370,000	400,000	400,000	400,000	
AMBULANCE SERVICES - BLS	01.0000.4441	347,816	513,250	625,000	475,000	500,000	500,000	500,000	
SAFETY TRAINING-FIRE	01.0000.4442	2,034	1,505	2,000	2,000	2,000	2,000	2,000	
FIRE SPRINKLER PLAN REVIEW	01.0000.4443	114,305	118,420	127,000	85,000	87,000	90,000	90,000	
FIRE INSPECTION SERVICES	01.0000.4444	46,472	62,785	48,000	62,000	48,000	62,000	62,000	
WEIGHTS & MEASURES CHARGES	01.0000.4449	0	0	6,800	0	0	6,800	6,800	
CLINIC SERVICES	01.0000.4452	74,397	62,815	75,000	75,000	75,000	75,000	75,000	
WEED CONTROL	01.0000.4470	5,106	7,441	25,100	10,100	10,100	10,050	10,050	
STREET LIGHTING	01.0000.4471	3,089	9,154	3,000	3,000	3,000	3,000	3,000	
ENGINEERING REVIEW FEES 2%	01.0000.4478	96,784	35,301	75,000	5,000	35,000	5,000	5,000	
ENGINEERING INSPECTION FEES 5%	01.0000.4479	17,319	14,235	15,000	5,000	15,000	5,000	5,000	
DPW CHARGES	01.0000.4480	41,344	47,489	35,000	35,000	35,000	35,000	35,000	
LANDFILL OPERATIONS-SEPARATE	01.0000.4493	0	22,542	20,000	20,000	20,000	20,000	20,000	
LANDFILL OPERATIONS-TIPPAGE	01.0000.4495	336,203	379,068	353,600	398,200	454,000	445,000	445,000	
LANDFILL OPERATIONS-EMERALD	01.0000.4496	65,374	57,266	70,000	50,000	60,000	60,000	60,000	
Total Charges for Services		1,559,178	1,868,363	2,185,000	1,674,700	1,871,200	1,834,450	1,834,450	-16.0%
<b>INTERGOVERNMENT CHARGES FOR SERVICES</b>									
COUNTY EMT-P	01.0000.4611	390,922	168,536	230,000	250,000	230,000	250,000	250,000	
SCHOOL LIAISON OFFICER	01.0000.4615	35,465	37,620	36,000	20,000	0	0	0	
Total Intergovernmental Charges		426,387	206,156	266,000	270,000	230,000	250,000	250,000	-6.0%
<b>INTEREST REVENUE</b>									
INTEREST ON INVESTMENTS	01.0000.4711	545,291	358,893	475,000	225,000	300,000	275,000	275,000	
INVESTMENT GAINS/LOSSES	01.0000.4713	65,967	95,714	0	0	0	0	0	
INTEREST-TAX ROLL	01.0000.4715	283,132	270,698	275,000	125,000	150,000	115,000	115,000	
INTEREST-INTERFUND	01.0000.4716	41,984	425	0	0	0	0	0	
MISCELLANEOUS INTEREST	01.0000.4719	4,803	4,509	5,000	5,000	5,000	5,000	5,000	
Total Interest Revenue		941,177	730,239	755,000	355,000	455,000	395,000	395,000	-47.7%
<b>MISCELLANEOUS REVENUE</b>									
RENTAL-MUNICIPAL PROP	01.0000.4725	34,245	35,672	34,000	34,000	34,000	34,000	34,000	
PROPERTY SALE	01.0000.4751		4,235	3,000	3,000	3,000	3,000	3,000	
CULVERT PIPE SALES	01.0000.4753	965	6,150	2,000	6,000	6,300	6,300	6,300	
CULVERT-PIPE SALE-TAXABLE	01.0000.4754	2,463	0	6,000	0	0	0	0	
SALE OF STATE SEALS	01.0000.4756	2,100	1,110	2,000	400	1,000	1,000	1,000	
SALE OF HOUSE NUMBERS	01.0000.4757	510	267	500	100	500	500	500	
SALE OF RECYCLING BINS	01.0000.4759	1,983	1,767	2,500	2,500	2,500	2,500	2,500	
SALE OF RECYCLABLES	01.0000.4761	5,521	4,356	5,000	5,000	5,000	5,000	5,000	
INSURANCE DIVIDEND	01.0000.4771	16,549	11,049	15,000	49,800	15,000	15,000	15,000	
REFUNDS/REIMBURSEMENTS	01.0000.4781	41,694	36,329	30,000	30,000	30,000	30,000	30,000	
REFUNDS & REIMB - MADACC	01.0000.4784	5,477	4,056	5,500	4,000	5,500	4,000	4,000	
MISCELLANEOUS REVENUE	01.0000.4799	17,612	433	1,100	600	600	600	600	
Total Miscellaneous Revenue		129,119	105,425	106,600	135,400	103,400	101,900	101,900	-4.4%
TOTAL GENERAL FUND REVENUE		21,769,994	22,566,514	24,016,000	22,947,000	23,986,000	23,807,000	23,807,000	-0.9%
<b>OTHER FINANCING SOURCES</b>									
TRANSFERS FROM OTHER FUNDS	01.0000.4830		948,646	0	0	0	0	0	
TRANSFERS FROM FUND BALANCE	01.0000.4850	0	0	419,000	0	400,000	0	400,000	
Total Other Financing Sources		0	948,646	419,000	0	400,000	0	400,000	
TOTAL GENERAL FUND REVENUE & TRANSFERS		\$21,769,994	\$23,515,160	\$24,435,000	\$22,947,000	\$24,386,000	\$23,807,000	\$24,207,000	-0.9%

## **City of Franklin General Fund Expenditures**

City general fund expenditures are divided into departments and those departments are grouped into categories. The categories are general government, public safety, public works, health & human services, culture & recreation, and conservation and development.

### **General Government**

General government is comprised of 12 departments that provide either specific services for the City or provide services to or on behalf of the departments. General Government also includes unclassified, contingency and anticipated underexpenditure budgets for unknown needs that may come up in the coming year in any of the expenditure categories. General Government expenditures increased 7.9% from the 2009 budget. General Government expenditures were 12.0% of the general fund expenditure budget. Reductions were in most areas including a Municipal Buildings position.

### **Public Safety**

Public safety is comprised of the departments that provide for the safety of the general public. This includes police, fire, public fire protection, building inspection and weight and measures. Public Safety expenditures decreased 2.4% from the 2009 budget and amounts to 63.6% of the general fund expenditure budget. Personnel Reductions were in Police and Fire positions.

### **Public Works**

Public Works is comprised of the departments that provide the infrastructure for the City. This includes engineering, highway, solid waste collection, street lighting, and weed control. Public Works expenditures have decreased 0.3% over 2009 and amount to 19.2% of the general fund expenditure budget. Reductions were in most areas including a Highway position.

### **Health & Human Services**

Health & Human Services is comprised of the health and the animal control expenses. Health & Human Services expenditures have increased 0.2% from 2009 and amount to 2.6% of the general fund expenditure budget due to restructuring the Sanitarian position.

### **Culture & Recreation**

Culture & Recreation is comprised of the Parks and recreation expenses. Recreation expense includes amounts paid for St. Martins Fair expenses, senior travel and civic celebrations expenses. Culture & Recreation expenditures have decreased 23.2% from 2009 and amount to 0.7% of the general fund expenditure budget. Reductions were in St. Martins Fair and civic celebrations expenses.

### **Conservation & Development**

Conservation & Development is comprised of the development and planning functions. Conservation & Development expenditures have increased 1.4% from 2009 and amount to 1.9% of the general fund expenditure budget.



## Transfers to other funds

Transfers consist of funds received in the General Fund and moved to another fund where expended. There are no transfers planned in the 2010 year.

The 2010 General Fund budget is also presented on this page by functional categories. Salaries, wages and benefits comprise 76% of the General Fund budget.

CITY OF FRANKLIN 2010 BUDGET		2007 Actual	2008 Actual	2009 Adopted	2009 Amended	2009 Estimate	2010 Forecast B	2010 Dept/Request	2010 Proposed	2010 Adopted	Percent Change
	Increase over 2009 Budget										
General Fund expenditures by object:											
Salaries-Full Time	(220,146)	8,932,384	9,281,876	9,422,148	9,422,148	9,083,697	9,125,047	9,425,930	9,132,343	9,202,003	-2.3%
Salaries-Part Time	(20,202)	379,496	398,268	419,169	419,169	391,318	417,860	415,213	398,967	398,967	-4.8%
Salaries-Temporary	12,736	41,304	73,400	69,950	69,950	67,769	83,653	82,739	82,686	82,686	18.2%
Salaries-Overtime	(15,656)	431,982	573,876	454,017	454,017	445,636	456,031	461,421	438,361	438,361	-3.4%
Comptime Taken	16,002	189,634	212,696	194,389	194,389	204,630	209,391	209,391	209,391	209,391	7.7%
Longevity	2,929	29,685	31,613	33,256	33,256	33,575	36,185	36,185	36,185	36,185	8.8%
Holiday	(4,452)	746,210	740,436	778,646	778,646	774,727	771,929	788,907	771,754	774,194	-0.6%
Vacation	12,843	742,193	790,247	809,640	809,640	793,588	821,076	823,753	822,483	822,483	1.6%
Hazardous Materials Pay	-	11,080	9,520	10,560	10,560	10,560	10,560	10,560	10,560	10,560	0.0%
College Incentive	(1,332)	33,379	31,104	30,528	30,528	30,384	29,196	29,196	29,196	29,196	-4.4%
Allocated Payroll costs	(17,100)	-419,750	-437,900	-391,200	-391,200	-391,200	-391,200	-391,200	-408,300	-408,300	4.4%
Total Salaries and wages		\$-235,377	\$11,127,595	\$11,705,136	\$11,831,103	\$11,831,103	\$11,444,684	\$11,569,728	\$11,892,095	\$11,523,626	-2.0%
FICA	(17,886)	860,576	902,620	938,505	938,505	909,203	917,321	942,140	915,103	920,619	-1.9%
Retirement	17,923	1,704,254	1,868,534	1,868,944	1,868,944	1,864,016	1,866,656	1,930,046	1,872,807	1,866,867	1.0%
Retiree group health	(110,658)	122,739	664,618	689,000	689,000	551,468	579,375	580,480	578,344	578,342	-16.1%
Group health & dental	(263,393)	2,852,295	3,066,071	3,187,545	3,187,545	2,997,700	2,913,134	3,015,876	2,898,922	2,924,152	-8.3%
Life Insurance	(12,700)	46,164	48,564	48,839	48,839	40,854	36,177	36,963	36,021	36,139	-26.0%
Workers Compensation Insurance	25,308	213,017	305,820	370,605	370,605	356,988	402,977	415,718	392,977	395,913	6.8%
Total Benefits		\$-361,406	\$5,799,046	\$6,856,226	\$7,103,438	\$7,103,438	\$6,720,229	\$6,735,640	\$6,921,223	\$6,694,174	-5.1%
Total Salaries, Wages and Benefits		\$-596,783	\$16,926,641	\$18,561,362	\$18,934,541	\$18,934,541	\$18,164,913	\$18,305,368	\$18,813,318	\$18,217,800	-3.2%
Salaries, Wages and Benefits Percent of Total		74.1%	77.6%	77.5%	77.5%	76.8%	74.9%	77.1%	76.5%	75.8%	
Insurance	(100)	226,560	235,576	240,800	240,800	235,300	240,800	243,350	240,700	240,700	0.0%
Contracted services	42,141	2,593,920	2,800,825	2,971,159	2,971,159	2,942,247	3,106,876	3,003,580	3,013,300	3,013,300	1.4%
Utilities	9,250	303,361	342,744	368,450	368,450	352,100	383,188	377,740	377,700	377,700	2.5%
Operating supplies	(16,950)	911,433	1,084,032	1,192,650	1,207,650	1,025,387	1,192,650	1,171,950	1,175,700	1,175,700	-1.4%
Services & Charges	2,400	267,215	245,535	280,800	283,800	262,075	280,800	284,134	283,200	283,200	0.9%
Facility Charges	11,000	366,418	381,304	407,100	407,100	400,658	423,384	416,764	418,100	418,100	2.7%
Other operating expenditures	60,000	245,799	254,223	264,500	264,500	264,542	324,500	324,500	324,500	324,500	22.7%
Contingency	(128,958)	0	0	665,000	647,000	0	175,000	175,000	56,000	636,042	-19.4%
Anticipated Underexpenditures	-	0	0	-890,000	-890,000	0	0	-400,000	-300,000	-500,000	0.0%
Transfers to other funds	-	1,015,000	0	0	0	0	0	0	0	0	0.0%
Total Non-Personal Services costs		\$-21,217	\$5,929,706	\$5,344,240	\$5,500,459	\$5,500,459	\$6,482,309	\$6,127,198	\$5,597,018	\$5,589,200	6.7%
Total General Fund by object		\$-618,000	\$22,856,347	\$23,905,602	\$24,435,000	\$24,435,000	\$23,647,222	\$24,432,566	\$24,410,336	\$23,807,000	-0.9%
General Fund Expenditures		22,856,347	23,905,602	24,435,000	24,435,000	23,647,222	24,432,566	24,410,336	23,807,000	24,207,000	
Expenditure Restraint Limit - 4.2%				25,325,514	25,325,514	25,325,514	26,388,650	26,388,650	26,388,650	26,388,650	
Over Limit				-890,514	-890,514	-1,678,292	-1,956,084	-1,978,314	-2,581,650	-2,181,650	

The explanations of individual departments and their budgets are detailed starting on page 51.

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## OPEB FUNDING

**PROGRAM:** OPEB Funding is now part of the all Departments Budgets

**PROGRAM MANAGER:** Director of Finance & Treasurer

### **PROGRAM DESCRIPTION:**

The City had historically offered retirement benefits to certain employee groups for a three to twelve year period depending upon labor agreement. The accounting standard prior to 2008 for the City of Franklin provided that the retirement payments made were charged against the year in which payments were received by the retiree.

GASB (Government Accounting Standards Board) Statement #45 effective for the City of Franklin on January 1, 2008 required the recording of this retirement obligation over the working lives of the qualifying employees. That involves having an actuary calculate the annual obligation and expensing that amount in the annual financial statements of the City. The GASB Standard does not require the annual funding of the obligation.

The City of Franklin recognizing that not funding this obligation would have a long term detrimental impact on the City elected to fund this annual obligation starting in 2008. Funding was planned to come from a variety of sources. Initial funding to come from:

- The property tax levy in an amount equal to the amount that the General Fund departments paid toward retire health benefits in 2007.
- A initial commitment of \$935,000 of fund balance of the General Fund starting in 2008.
- In the event that a new landfill siting agreement is reached 33% of the proceeds received over the first three years will be used to benefit this fund.
- During the years 2009 to 2012 additional amounts of property tax levy will be committed to this fund to enable the fund to have a permanent source of funding.  
2009 - \$125,000    2010 - \$150,000    2011 - \$175,000    2012 - \$200,000
- Receipt of these funds may reduce or eliminate the need to make additional transfers from the fund balance of the General Fund in future years.
- Established an OPEB Trust that reduced the amount of resources needed for this purpose.

Every two years an updated actuarial report is required to be prepared. The 2010 actuarial shows the annual required contribution (ARC) for 2010 and 2011. In addition the ARC valuation for 2009 was recalculated. The amounts are shown below:

	2009	2010	2011
Annual required contribution	\$587,217	\$616,856	\$637,448

Based upon this valuation the 2012 tax levy commitment may not be required and based on that valuation the amount of fund balance committed in 2007 may be enough to cover the transition to permanent funding sources.

CITY OF FRANKLIN  
2010 BUDGET

		2007 Actual	2008 Actual	2009 Adopted	2009 Amended	2009 Estimate	2010 Forecast B	2010 Dept/Request	2010 Proposed	2010 Adopted	Percent Change
<b>GASB 45 OPEB Funding Worksheet</b>											
<b>REVENUE</b>											
GENERAL PROPERTY TAXES	01.0000.4011	122,740	125,000	250,000	250,000	250,000	400,000	400,000	400,000	400,000	60.0%
LANDFILL SITING FEES	01.0000.4492	13,646	22,542	20,000	20,000	20,000	20,000	20,000	20,000	20,000	
INTEREST ON INVESTMENTS	01.0000.4711										
INVESTMENT GAINS/LOSSES	01.0000.4713										
MISCELLANEOUS REVENUE	01.0000.4799										
TRANSFER FROM OTHER FUNDS	01.0000.4830										
TRANSFER FROM GENERAL FUND	01.0000.4834	935,000									
<b>TOTAL OPEB FUND REVENUE</b>		<b>1,071,386</b>	<b>147,542</b>	<b>270,000</b>	<b>270,000</b>	<b>270,000</b>	<b>420,000</b>	<b>420,000</b>	<b>420,000</b>	<b>420,000</b>	<b>55.6%</b>
<b>EXPENDITURES</b>											
<b>General Government:</b>											
Municipal Court	01.121.0000.5153	0	947	1,000	1,000	880	916	916	916	916	
City Clerk	01.141.0000.5153	0	1,948	2,100	2,100	1,822	1,897	1,897	1,897	1,897	
Elections	01.142.0000.5153	0	133	100	100	25	87	84	89	89	
Administration	01.147.0000.5153	0	3,157	3,400	3,400	2,991	3,128	3,128	3,128	3,128	
Finance	01.161.0000.5153	0	3,206	3,500	3,500	3,036	3,175	3,175	3,175	3,175	
Assessor	01.164.0000.5153	0	0	0	0	0	0	0	0	0	
Municipal Buildings	01.181.0000.5153	0	6,240	6,500	6,500	5,101	5,983	5,836	3,452	3,452	
<b>Total General Government</b>		<b>0</b>	<b>15,631</b>	<b>16,600</b>	<b>16,600</b>	<b>13,855</b>	<b>15,186</b>	<b>15,036</b>	<b>12,657</b>	<b>12,657</b>	<b>-23.8%</b>
<b>Public Safety:</b>											
Police	01.211.0000.5153	43,080	245,854	251,100	251,100	192,562	202,075	202,166	202,046	202,044	
Dispatch	01.212.0000.5153	0	7,240	7,700	7,700	4,597	4,865	4,865	4,865	4,865	-36.8%
Fire	01.221.0000.5153	79,660	318,802	335,800	335,800	273,501	287,335	287,459	287,638	287,538	
Building Inspection	01.231.0000.5153	0	1,088	1,200	1,200	1,017	1,059	1,059	1,059	1,059	
<b>Total Public Safety</b>		<b>122,740</b>	<b>572,984</b>	<b>595,800</b>	<b>595,800</b>	<b>471,677</b>	<b>495,334</b>	<b>495,549</b>	<b>495,508</b>	<b>495,506</b>	<b>-16.8%</b>
<b>Public Works:</b>											
Engineering	01.321.0000.5153	0	6,100	6,300	6,300	5,428	5,650	5,650	5,650	5,650	
Highway	01.331.0000.5153	0	59,981	59,800	59,800	51,079	53,105	54,149	54,553	54,553	
Recycling	01.341.0000.5153	0	190	100	100	59	72	70	74	74	
<b>Total Public Works</b>		<b>0</b>	<b>66,271</b>	<b>66,200</b>	<b>66,200</b>	<b>56,566</b>	<b>58,827</b>	<b>59,869</b>	<b>60,277</b>	<b>60,277</b>	<b>-8.9%</b>
<b>Health and Human Services:</b>											
Public Health	01.411.0000.5153	0	3,686	3,900	3,900	3,394	3,532	3,532	3,532	3,532	
<b>Total Health and Human Services</b>		<b>0</b>	<b>3,686</b>	<b>3,900</b>	<b>3,900</b>	<b>3,394</b>	<b>3,532</b>	<b>3,532</b>	<b>3,532</b>	<b>3,532</b>	<b>0.0%</b>
<b>Culture and Recreation:</b>											
Parks	01.551.0000.5153	0	2,171	3,300	3,300	2,869	3,001	2,916	3,085	3,085	
St. Martins	01.529.0000.5153		261	300	300	271	290	293	0	0	
<b>Total Culture and Recreation</b>		<b>0</b>	<b>2,432</b>	<b>3,600</b>	<b>3,600</b>	<b>3,140</b>	<b>3,291</b>	<b>3,209</b>	<b>3,085</b>	<b>3,085</b>	<b>-14.3%</b>
<b>Conservation and Development:</b>											
Planning	01.621.0000.5153	0	3,614	2,900	2,900	2,836	3,205	3,285	3,285	3,285	
<b>Total Conservation and Development</b>		<b>0</b>	<b>3,614</b>	<b>2,900</b>	<b>2,900</b>	<b>2,836</b>	<b>3,205</b>	<b>3,285</b>	<b>3,285</b>	<b>3,285</b>	<b>13.3%</b>
<b>Total OPEB Expenditures</b>		<b>122,740</b>	<b>664,618</b>	<b>689,000</b>	<b>689,000</b>	<b>551,468</b>	<b>579,375</b>	<b>580,480</b>	<b>578,344</b>	<b>578,342</b>	<b>-16.1%</b>
<b>Excess of revenue over expenditures</b>		<b>948,646</b>	<b>-517,076</b>	<b>-419,000</b>	<b>-419,000</b>	<b>-281,468</b>	<b>-159,375</b>	<b>-160,480</b>	<b>-158,344</b>	<b>-158,342</b>	
<b>Fund Balance, Beginning of Period</b>		<b>0</b>	<b>948,646</b>	<b>431,570</b>	<b>431,570</b>	<b>431,570</b>	<b>150,102</b>	<b>150,102</b>	<b>150,102</b>	<b>150,102</b>	
<b>Fund Balance, End of Period</b>		<b>948,646</b>	<b>431,570</b>	<b>12,570</b>	<b>12,570</b>	<b>150,102</b>	<b>-9,273</b>	<b>-10,378</b>	<b>-8,242</b>	<b>-8,240</b>	
<b>OPEB Expenditures - GF Departments</b>			<b>664,618</b>	<b>689,000</b>	<b>689,000</b>	<b>551,468</b>	<b>579,375</b>	<b>580,480</b>	<b>578,344</b>	<b>578,342</b>	
<b>OPEB Expenditures - Library</b>			<b>5,390</b>	<b>6,540</b>	<b>6,540</b>	<b>5,071</b>	<b>5,278</b>	<b>5,278</b>	<b>5,278</b>	<b>5,278</b>	
<b>OPEB Expenditures - Civic Celebrations</b>			<b>274</b>	<b>357</b>	<b>357</b>	<b>304</b>	<b>320</b>	<b>320</b>	<b>400</b>	<b>400</b>	
<b>OPEB Expenditures - Sewer</b>			<b>16,358</b>	<b>20,410</b>	<b>20,410</b>	<b>15,187</b>	<b>15,884</b>	<b>15,449</b>	<b>16,318</b>	<b>16,318</b>	
<b>OPEB Expenditures - Water</b>			<b>17,073</b>	<b>20,410</b>	<b>20,410</b>	<b>15,187</b>	<b>21,226</b>	<b>15,449</b>	<b>16,300</b>	<b>16,300</b>	
			<b>703,713</b>	<b>736,717</b>	<b>736,717</b>	<b>587,217</b>	<b>622,083</b>	<b>616,976</b>	<b>616,640</b>	<b>616,638</b>	